# Assessment of USAID Media Assistance in Bosnia and Herzegovina, 1996–2002



Bureau for Policy and Program Coordination September 2003



#### **RELATED PUBLICATIONS**

## PPC Evaluation Working Papers on Media Assistance

Media Assistance: Best Practices and Priorities (PN-ACR-754)

Journalism Training and Institution Building in Central American Countries (PN-ACR-755)

Assessment of USAID Media Assistance in Bosnia and Herzegovina 1996–2002 (PN-ACR-756)

Promoting Independent Media in Russia: An Assessment of USAID's Media Assistance (PN-ACR-757)

U.S. Media Assistance Programs in Serbia, July 1997–June 2002 (PN-ACT-553)

PPC Evaluation Paper No. 3: USAID's Media Assistance: Policy and Programmatic Lessons (PN-ACU-013)

## Assessment of USAID Media Assistance in Bosnia and Herzegovina, 1996–2002

Dan De Luce, MSI/MetaMetrics, Inc.

Bureau for Policy and Program Coordination September 2003

#### **Contents**

Abbreviations and Acronyms iii

Preface iv

**Executive Summary** v

Assessment of USAID Media Assistance in Bosnia and Herzegovina 1

Background 1

U.S. Media Assistance Strategies 3

Other Donor Strategies 9

Achievements 11

Challenges 15

Effect of Assistance on Bosnian Society 19

Lessons 20

Annex: Principal Contacts 25

Bibliography 27

#### **Abbreviations and Acronyms**

AEM Association of Electronic Media

BORAM Bosnian Radio Network

CRA Communications Regulatory Agency (Bosnia)

EC European Commission

ENI USAID Bureau for Europe and the New Independent States (now Bureau for

Europe and Eurasia—EE)

IMC Independent Media Commission (predecessor to the CRA)

IREX International Research and Exchanges Board

MIB Mareco Index Bosnia

OBN Open Broadcast Network

OSCE Organization for Security and Cooperation in Europe

OHR Office of the High Representative

ONASA Bosnian news agency

OSI Open Society Institute

OTI USAID Office of Transition Initiatives

PPC USAID Bureau for Policy and Program Coordination

SDA Party for Democratic Action (Bosniak political party)

SDS Serb Democratic Party

SEED Support for Eastern European Democracy

SFOR Stabilisation Force for Bosnia-Herzegovina and Croatia

PIC Peace Implementation Council

SDA Party for Democratic Action

SDP Social Democratic Party

SDS Serb Democratic Party

SEED Support for Eastern European Democracy

SFOR Stabilisation Force for Bosnia and Herzegovina and Croatia

SIDA Swedish International Development Cooperation Agency

SRT Serb Radio-Television

#### **Preface**

This report, which presents the findings of an assessment of USAID media assistance to Bosnia and Herzegovina, is the third in a series published by the Bureau for Policy and Program Coordination. The first two assessments focused on USAID media assistance programs in Central America and the Russian Federation.

Bosnia was the first country in which USAID and other bilateral and multilateral agencies and organizations made a large investment (\$80–100 million) to build and strengthen independent media in the aftermath of civil war. The twin objectives of media assistance were to facilitate the implementation of Dayton Peace Accords and promote democratization in this deeply divided country. USAID and other donors designed and implemented innovative media development programs that helped establish an economically fragile but vibrant independent media. The experience gained by international community in Bosnia has been valuable in shaping media policies and programs in other wartorn societies such as Serbia and Kosovo.

In this assessment, Dan De Luce critically examines USAID media assistance programs, their underlying strategies, achievements, and limitations. He draws many useful policy and operational lessons for future programming. I am grateful for his thoughtful and objective analysis.

Peter Graves, senior media advisor to the Bureau for Europe and Eurasia, provided valuable help and information. Zoey Breslar of Management Systems International provided technical support for this assessment, and John Engels and Hilary Russell edited the report. My thanks to all of them.

Krishna Kumar Senior Social Scientist

## **Executive Summary**

Providing international assistance to news media was not a new idea in 1996, but it took on strategic importance for the first time in Bosnia-Herzegovina. The pernicious role played by regime media in fomenting the Yugoslav conflict was well known by the time of the signing of the Dayton Peace Agreement. A new generation of diplomats, attuned to the significance of news media and anxious to counter the influence of nationalist parties, identified media freedom as a crucial element in the vast reconstruction effort. Bosnia became a kind of laboratory for international media assistance efforts, attracting substantial funding and high-level diplomatic interest.

With a permanent field presence and an ambitious range of activities between 1996 and 2002, the United States devoted more resources to media assistance in Bosnia-Herzegovina than any other donor government. By 1999, USAID and the Department of State had spent \$30 million on the effort, possibly the largest ever per capita U.S. investment in media assistance (USAID/Bosnia 1999).<sup>1</sup>

#### **Goals of Media Assistance**

The stated goal of the assistance varied, but it tended to emphasize the establishment of editorially independent media that offer "consistent, objective, and balanced information to Bosnian citizens." USAID documents underlined the objective of creating commercially viable media. An overarching strategy did not emerge until 1998 and was not

consistently applied, partly because media assistance was not managed from a central point until 2000. USAID's Bureau for Europe and the New Independent States (ENI),<sup>3</sup> its Office of Transition Initiatives (OTI), and the Department of State Support for Eastern European Democracy (SEED) coordinator's office all delivered assistance according to their own priorities.

The primary goals of USAID assistance were to

- create a countrywide television network as a moderate, multiethnic alternative to nationalist media
- support a select number of private media outlets to ensure the development of an editorially independent, financially sustainable commercial sector
- fund the creation of numerous new media outlets to reduce postwar tensions and promote an alternative to nationalist voices
- raise the professional standards of journalists through training
- help establish legal and regulatory conditions to enable the free flow of information while discouraging inflammatory broadcasts
- assist with the reform of the state broadcasting system to remove political control and raise editorial standards

Although not always stated officially, USAID expected that, with other development efforts,

<sup>&</sup>lt;sup>1</sup> A comprehensive figure for media assistance funding in Bosnia-Herzegovina from 1996 to 2002 is unavailable. The European Commission spent €20 million on media assistance from 1996 to 2002.

<sup>&</sup>lt;sup>2</sup> The term "independent media," used frequently by USAID and other media donors, implies nonstate news organizations that are editorially and financially free of political domination or intimidation.

<sup>&</sup>lt;sup>3</sup> ENI is now the Bureau for Europe and Eurasia (EE).

assisting alternative media and would help transform the political landscape and break the dominance of nationalist parties and attitudes.

#### Media and the Political Climate

Bosnia's political climate proved more resistant to change than donors anticipated. Nationalist parties continue to win a plurality of votes, despite the demise of their media monopoly and the defeat of their patrons in Croatia and Serbia. The country's Serb, Croat, and Bosniak communities remain deeply divided in their attitudes toward statehood and ethnic integration. However, the emergence of a free, pluralistic media has played an instrumental role in Bosnia's progress toward a more democratic, stable society. U.S. media assistance helped establish a vibrant private media sector that offers Bosnian citizens a wide range of information and opinions as well as an alternative to nationalist media.

Several news organizations receiving USAID assistance play an important role in informing the public, holding the government accountable, and providing a forum for public discussion. These organizations are profitable or are moving toward profitability. The combination of financial aid, equipment, and training in editorial and business skills has helped foster a new generation of independent-minded media that are outside direct political control.

#### Impact of USAID Media Assistance

USAID media assistance focused on private print and broadcast media. Assistance promoted research and provided training. An important USAID legacy was the establishment of a broadcast regulatory body.

#### Private Media

Bosnian and international sources interviewed agreed that U.S. assistance played an important role in cultivating a private media sector. Some quality news media might not have survived, and some said it would be hard to imagine the Bosnian media without such assistance. Any comparison of the media industry or news content between 1996

and 2002 makes clear just how far the sector has progressed.

After the war, no private broadcaster could cover its operating costs or claim to have a major share of the viewing audience. State media were under explicit and direct political control by the parties that had helped plunge the country into war. State broadcasting had no genuine competition, and the dominant news coverage catered to nationalist parties. Private media now provide a range of news and opinion. Explicit political control of broadcasting licensing has been replaced with a transparent, nonpartisan framework. Although still deeply flawed, state broadcasters have shed the political excesses of the past. They have nonpartisan governing bodies and multiethnic editorial staff. U.S. advisers and State Department diplomacy contributed to that progress.

The presentation of the news in private media—both technically and thematically—has improved partly because of the equipment and extensive training offered by USAID's international and domestic consultants. No region is off limits to journalistic inquiry or open debate: several publications and stations in the Republic of Srpska broke the once formidable closed climate that existed in 1996. USAID assistance was instrumental in enabling these alternative voices to emerge in politically hostile areas.

Physical attacks against journalists and official harassment of news media by the police and courts have significantly diminished since 1996, partly due to the presence of international authorities and human rights monitors. Legal initiatives and U.S. Embassy protests against threats to media freedom helped protect some journalists and news organizations from further excesses.<sup>4</sup>

According to focus group research conducted between 1998 and 2002, certain alternative, private media that received USAID and other international assistance established credibility with the Bosnian

<sup>&</sup>lt;sup>4</sup> The statement is based on interviews with Bosnian journalists.

public at a level equivalent to that enjoyed by the state or politically controlled outlets. Moreover, the credibility of these outlets rose over the period. Politically controlled media, on the other hand, suffered a decline or no improvement in credibility (Taylor 2000). While the overall levels of credibility and trust are still well below what is common in more mature democracies, the results are impressive, given that the private media sector did not exist before the war.

#### Print and Broadcast Media

Newspapers and magazines assisted by USAID have confronted the most pressing issues of the day, including corruption and collusion among nationalist parties, documentation of war crimes, and social problems. Although these publications have not necessarily adopted a neutral editorial stance, they have made an important contribution to democratic debate and challenged the nationalist rhetoric promulgated by party media.

The television project known as the Open Broadcast Network (OBN) was set up to break new ground in a closed, nationalistic environment. Measured against that original goal, the OBN achieved success within its first two years, broadcasting balanced news and current affairs programming across ethnic boundaries. This achievement came despite strenuous efforts to obstruct the network by the nationalist authorities, particularly the Bosniak SDA party. Many Bosnian journalists credit the OBN with breaking down psychological walls between ethnic communities and paving the way for other journalists to acknowledge all three ethnic identities.

The OBN organized live current affairs programs that brought politicians from rival parties together for the first time, forcing them to answer questions from journalists and the Bosnian public. International representatives were allowed to explain their policies without tendentious editing. Leaders and activists from NGOs, universities, and theaters were given a platform that had been denied them by the political commissars running the state media.

The OBN, however, lacked a long-term strategy. It failed to attract an audience proportionate to its cost and relied too heavily on international advisers instead of local talent. Nevertheless, even after international aid to the OBN ended in 2000, affiliate stations that had received equipment and training continued to progress. Whatever its shortcomings, the OBN's legacy raised the bar for Bosnian broadcasters. Perhaps most importantly, the state broadcasters' bias and stagnation were exposed, helping to force changes in news coverage and editorial personnel.

#### Research and Training

Unique among donors, USAID introduced business skills and reliable audience research that helped create Bosnia's first commercial media market. This transfer of skills transformed the way many media companies operate in Bosnia. Several managers of successful private media outlets say the most valuable assistance they received from USAID was not cash or equipment, but the "know-how" passed on by consultants.

By subsidizing market and audience research, USAID helped create a more transparent, competitive, and efficient media market that is moving toward international standards and clearing the way for foreign investment in the sector. This assistance embodies the best form of development aid by empowering the recipient and improving fundamental market conditions.

USAID, first through the contractor Internews—and later through the International Research and Exchanges Board (IREX)—assisted broadcasters in forming a genuine broadcasters' association that raised standards and lobbied to protect legitimate commercial interests. The Association of Electronic Media (AEM), led and managed by Bosnian nationals, successfully lobbied for amendments to electoral coverage rules and licensing regulations set down by the Communications Regulatory Agency (CRA). By building a sense of solidarity among broadcasters, the association represents an important ingredient in creating a "fourth estate" in Bosnia.

#### **Broadcast Regulation**

Perhaps the most important legacy of U.S. media assistance is the establishment of a broadcast regulator under interim international supervision. The CRA, created with significant funding from the State Department, introduced transparent regulation that has removed political manipulation from the licensing process, eliminated inflammatory broadcasts, and raised the standard of programming.

Responding to the incentive of securing a long-term license, most broadcasters sought to avoid the threat of fines and complied with the body's regulations. The CRA enjoyed credibility among broadcasters because its code of practice was seen as a reflection of international norms, its procedures emphasized due process, and its executive bodies included Bosnians as well as international representatives. Although the CRA has retained foreigners in the position of director and a few other management positions, the agency has moved increasingly to become a domestic body.

Bosnian journalists and industry analysts describe the regulatory body as the international community's greatest achievement in media development efforts. The agency now serves as a model of transparent regulation throughout the former Yugoslavia. According to the Media Working Group established under the Stability Pact, "Regulating broadcasting media is one of the most important success stories in the transformation of the media system in Bosnia-Herzegovina" (Media Working Group 2001).

Other initiatives helped strengthen media freedom and public access to information. Legal experts sponsored by USAID (through IREX) provided valuable assistance in drafting a new defamation and freedom of information laws.

#### **Lessons and Implications**

Media assistance in a postconflict setting presents donor governments with difficult, politically sensitive decisions. Despite many achievements, the full value of U.S. media assistance could not be realized because of a lack of coherent strategy and central management. The goal of creating numerous new media voices collided with the goal of assisting a select number of the most promising media clients. In some cases, no consideration was given to making a media outlet commercially sustainable. In other cases, unrealistic conditions were set down. Reforming the legal framework for the media, including the politically controlled state broadcasters, was either neglected or received a secondary priority.<sup>5</sup>

By putting a high priority on media development in Bosnia, U.S. efforts made significant headway in a relatively short time. Unlike other development efforts such as judicial or education reform, media assistance can bring dramatic change quickly. Attaching importance to media issues also requires objecting firmly to threats and violations of media freedom. This is sometimes the most effective way of protecting the free flow of information.

The lessons to be drawn from the Bosnian experience include the following:



Legal and regulatory initiatives that create the conditions for a free flow of information carry the greatest potential for long-term effect in a postconflict, transitional country.

Peace agreements or UN mandates should set out parameters for a democratic media sector, providing fair access to frequencies and printing presses and replacing tainted state broadcasters with genuine public, nonpartisan institutions. To prevent incitement to violence and uphold democratic norms, interim international authority in the media sector should be retained until effective domestic authority can be arranged.



#### Media assistance must be timely.

In Bosnia, U.S. media assistance was launched only after the conflict ended. But assistance could have and should have been offered during the war to

 $<sup>^{\</sup>mbox{\tiny 5}}$  IREX suggested legal reform and support but was overruled, according to IREX.

struggling media outlets to protect civic, tolerant voices.

#### 3 Med

## Media assistance requires a coherent strategy and consistent direction.

A realistic media assistance strategy in postconflict states requires a multiyear approach and maximum consensus among major donors. This was initially lacking in Bosnia. Better coordination among donors tends to produce better results. Assistance has to be led and managed from a central point, with the fewest number of actors coming between the aid and the recipient. Assistance should be informed by consultation with those familiar with the region, the local language, and regional media. Direct aid to the most promising media should be based on criteria that have proven universally successful: editorial quality and integrity, and readiness to learn new skills. Grants should be delivered with the clear understanding that U.S. assistance will be phased out over time. Training should occur in the newsroom or business office over an extended period in a systematic manner, not on an adhoc basis. To assess development efforts, any strategy should include regular market and focus group research and support for domestic media monitoring and analysis.



# Imposing solutions and projects from the "top down" by international representatives carries many risks and jeopardizes success.

National networks or other ambitious projects aimed at breaking postwar divisions must be driven by indigenous talent and given a realistic timetable to succeed. In the case of the OBN project in Bosnia, foreigners led the network at the expense of empowering local journalists.

#### 5

## Achieving success in media development requires risk-taking.

Some of the best outcomes in USAID media assistance resulted from taking calculated risks and giving promising news organizations that displayed editorial quality the chance to pursue their visions. In some cases, managers of news outlets failed to take advantage of the opportunity provided by USAID. Perhaps the more successful experiences should be analyzed in more detail to help inform future decisionmaking.

#### 6

## Emphasizing business training and market surveys helps raise industry standards.

The Bosnian experience shows that the transfer of business skills and the sponsorship of reliable market research allow news organizations to reduce their vulnerability to political pressures and invest in the editorial product.



## Assistance policies need to address hostile political forces and the threat of takeover.

As in other transitional countries, Bosnian media increasingly face threats from vested commercial interests instead of direct interference from state authorities. Although there is no way to guarantee editorial independence, USAID will need to formulate policies that address the threat of hostile, political takeovers.

# Assessment of USAID Media Assistance in Bosnia and Herzegovina, 1996–2002

#### **Background**

s part of its global assessment of USAID's media assistance program, the Bureau for Policy and Program Coordination (PPC) commissioned a study of U.S. media assistance efforts in Bosnia-Herzegovina from 1996 to 2002. This report analyzes media assistance strategies and methods since the end of the Bosnian conflict, including the policies of other donor governments and organizations. It assesses the effectiveness of U.S. media aid, the impact of the assistance on Bosnian society, and concludes with lessons from the Bosnian experience that may be pertinent to future media development efforts.

In addition to USAID programs in Bosnia, the Department of State provided significant funding for media assistance. The Open Broadcast Network (OBN), funded by the State Department's Support for Eastern European Democracy (SEED) coordinator's office, is examined because it received a top funding and policy priority until 2000.

The study is based on the author's experience in Belgrade and Sarajevo as a Reuters correspondent and international civil servant from 1993 to 2000, more than 30 interviews with international and Bosnian sources familiar with aspects of U.S. or other donor media assistance, and on documents and reports from USAID, the State Department, the International Research and Exchanges Board (IREX), Internews, international governmental organizations, and Bosnian media outlets and related organizations. These interviews were conducted by telephone and by electronic mail. Many of the Bosnian sources were interviewed by a researcher in Sarajevo employed for this study.

Some sources and important documents were unavailable for this report, including those pertaining to the cost of the OBN project funded by the Department of State SEED coordinator's office and a 1998 USAID strategy document.

#### **Obstacles and Expectations**

The aftermath of Bosnia's war presented opportunities as well as obstacles to media assistance efforts. Compared to impoverished societies where international donors have been forced to intervene to fund postwar reconstruction and peacekeeping, Bosnia-Herzegovina retained a relatively high level of economic development after the war. With its educated population accustomed to a degree of media pluralism and its proximity to prosperous, democratic European Union (EU) states, Bosnia offered potentially fertile ground for media assistance projects. Attracting foreign investment to the market in due course was not inconceivable.

A certain level of media literacy meant that Bosnia was not too far behind central European postcommunist countries and ahead of many transitional states. Although many experienced Bosnian journalists had emigrated, the small minority who retained their integrity throughout the war could work in a safer environment and carry the media industry forward.

Still, despite the presence of a well-armed peace-keeping force, violence against journalists and official harassment of news organizations serious threatened media freedom. Although former Yugoslavia had been exposed to market reforms and some private sector liberalization, there was no experience of a commercial media market. Broadcasting had always been the purview of the

state and the country's one-party authoritarian system. Apart from the direct political control exercised over the state, cantonal, and municipal radio and television stations, the ruling parties controlled access to the state printing presses in Sarajevo and Banja Luka, forcing alternative media to pay exorbitant prices for shoddy services. Distribution was manipulated by vested political interests, blocking papers from "other" ethnic communities.

#### Media's Role in the War in Bosnia-Herzegovina

In 1987, Slobodan Milosevic seized on nationalist sentiments to rise to power in Serbia, crushing his opponents by exploiting Serb grievances over the province of Kosovo. He installed his loyalists at Belgrade television and newspapers, stirred up nationalist fervor, stripped the autonomous status of the Kosovo and Vojvodina provinces, and attempted to assert control over the Yugoslav federation.

Leaders of the republic of Croatia, believing they could no longer remain in the Yugoslav federation if Slovenia seceded, held their own referendum and declared independence. The Belgrade media played on memories of World War II atrocities that had been committed against Serbs by the Nazi puppet regime in Croatia. The Croatian media exploited fears of Serbian domination. Violent incidents across Croatia turned into all-out war in the summer of 1991.

Politically controlled media played a crucial role in engineering consent for the war by undermining civic values and playing on the fears of the Serb community. Following Serbia's lead, media in other republics pursued a similar pattern. Asserting control over broadcasting and newspapers became a strategic goal during the conflict. Before the first shots were fired in Bosnia in the spring of 1992, Milosevic's Yugoslav army had seized control of five television transmitters, beginning with the Mt. Kozara site near Banja Luka in August 1991 (Thompson 1999, 214). Serbs in northern Bosnia were subjected to Belgrade's television propaganda campaign for six months prior to the first military attack in the spring of 1992.

#### Media at War's End

In 1995, the war ended without clear victors and with the underlying political conflict over Bosnian statehood unresolved. Bosnia's mixed population of more than 3 million—Muslims (Bosniaks), Roman Catholic Croats, and Orthodox Christian Serbs—had lived in peaceful coexistence for years, but the war and the media propaganda that accompanied it damaged trust and left the country mostly segregated along ethnic lines.

Despite the widely accepted view that regime media helped create the conditions for and sustained the war, the Dayton Peace Agreement failed to address the media sector in a systematic manner. Though it incorporated the European Convention on Human Rights (which recognizes freedom of expression as a fundamental human right), the agreement contained no specific provisions for the sector and set out no regulations for the divided state broadcasting system.

The entities and the federation's 10 cantons had authority to enact media legislation, a formula allowing potentially contradictory legislation across local jurisdictions. The central government had responsibility to operate common and international communication facilities, which were not defined. The multinational peacekeeping force enjoyed ultimate authority over the frequency spectrum. At war's end, there was virtually no free flow of information in Bosnia (Thompson 1999, 261). Three monoethnic media sectors had been imposed that reflected military lines of control, and the prewar republic's transmission system was carved up three ways.

Political and military authorities exerted direct and explicit control over the main news media, particularly in Serb- and Croat-held territory. Vested political interests controlled the operation of the main printing presses and issued broadcast licenses without transparent or coherent criteria. State television from Serbia and Croatia illegally occupied frequencies and broadcast programming hostile to the spirit of the peace agreement. Zagreb television also undermined the media market and violated copyright law by broadcasting foreign-produced pro-

gramming that had been purchased for transmission only in Croatia.

Journalists could not work safely outside of their own ethnic boundaries, and newspaper distribution was blocked along these lines. Sarajevo and Tuzla (within territory under Moslem-led government control) remained the exceptions. There, a more open climate and a small number of multiethnic radio stations and publications managed to maintain an independent spirit. Sixteen private or quasi-private television stations and 41 radio stations emerged from the war, primarily in governmentcontrolled areas (USAID 1996). These local initiatives were overshadowed by the reach and influence of state television networks operated by the three nationalist parties.

#### U.S. Media Assistance **Strategies**

Though the Dayton Peace Agreement largely ignored media issues, U.S. and European diplomats charged with overseeing the agreement were keenly aware of the role that the media played in feeding the conflict. Donor governments were anxious to counter nationalist propaganda and support more moderate voices before the country's first postwar election, scheduled for September 1996—less than a year after the peace agreement was signed.

No donor devoted more resources and attention to the media issue in Bosnia than the United States. It maintained a field presence of media development contractors and invested \$30 million. Funding levels for media assistance peaked between 1996 and 1999 (USAID/Bosnia 1999).6

Annual reports issued by the State Department's SEED coordinator's office defined media assistance as an important element of democratization efforts in Bosnia. Achieving a "viable and independent media offering consistent, objective, and balanced information to all citizens" was described as a "top priority" of the democracy reform agenda.7

In the first two years after the Bosnian war, no written, overarching policy was applied to U.S. media assistance, and no strategy document covered both State Department and USAID activities.8 Both pursued objectives that aimed at bolstering pluralism and countering the influence of media under the direct control of nationalist political parties. These objectives, some of which were related, were to

- fund the creation of a new, countrywide television network as a moderate, multiethnic alternative to nationalist media
- support a select number of private media outlets to ensure the evolution of an editorially independent, viable commercial sector
- fund the creation of numerous new media outlets to reduce postwar tensions and promote an alternative to nationalist voices
- raise the professional standards of journalists through training
- help establish legal, regulatory conditions to enable a free flow of information while discouraging inflammatory broadcasts
- assist with the reform of the state broadcasting system

The following is an overview of media assistance activities and how they fulfilled strategic goals or objectives.

#### **Creating a Countrywide Alternative** to Regime Broadcasters

Some European governments (such as Sweden, the United Kingdom, and the Netherlands) and NGOs provided assistance to local broadcasters and publications during the war. These broadcasters raised the

<sup>&</sup>lt;sup>6</sup> Although there is no comprehensive figure for U.S. media assistance funding in Bosnia-Herzegovina, USAID funded \$14.2 million in media assistance through the contractor IREX over four years and awarded \$10 million to the contractor Internews between 1996 and 1999.

<sup>&</sup>lt;sup>7</sup> SEED Annual Reports, "Democracy Reform," Department of State, Washington, D.C., 1999, 2000, 2001.

<sup>&</sup>lt;sup>8</sup> USAID produced a strategy document for Bosnia media assistance in 1998 that could not be located in time for this study.

possibility of creating a television network that would provide an alternative to the party-run ethnic television that dominated the country.

The new media outlet—the OBN as it became known—was created on a large and ambitious scale to provide a platform for more moderate voices. The United States invested approximately \$2 million initially. The State Department viewed the establishment of the OBN and the provision of multiethnic news programming across the whole of Bosnia-Herzegovina as an overriding goal of the department's media assistance strategy between 1996 and 2000. European donors joined in pledging funding and equipment to get the television network on the air in time for the September 1996 election.

The first high representative publicly announced the project in April 1996. However, no implementing organization with broadcast expertise was asked to carry out the project. Due to concerted obstruction by SDA, the nationalist Bosniak political party, the OBN did not get on the air until two weeks before the 1996 election and did not play an influential role in the campaign coverage.

Nevertheless, the OBN broke new ground by offering statewide news and current affairs programming, with a multiethnic staff and without political partisanship, and at a time when the state broadcasters were providing programming with heavy political and ethnic biases. The OBN's more balanced news coverage put pressure on state broadcasters to improve their own programming.

Even as the news program continued to improve in quality, the OBN found it difficult to repair its image—accurate or not—as a network that was directed exclusively by foreigners and foreign ministries. Audience figures

remained disappointing.<sup>10</sup> Two of the original affiliate stations quickly dropped out of the project, complaining that the project was being run by international representatives instead of Bosnian stations. Some of the network's member stations remained dissatisfied with their status and roles (Department of State 1999). However, three of the original five founding stations remained in the network and an additional 11 stations eventually joined.

Some of the original donors, including Sweden, eventually withdrew their support for the project, citing concerns about the high cost of the network, the relatively low audience ratings, and the secondary role assigned to Bosnian staff. The Open Society Institute (OSI), which had provided engineering assistance that helped the OBN start broadcasting quickly in 1996, withdrew from the project in 1997. The Dutch government also withdrew after making a donation in the first year.

In 1998–99, the Office of the High Representative (OHR) attempted to reduce its supervisory role. A full-time international adviser with broadcasting experience was hired to manage the network. More managerial responsibility was assigned to Bosnian staff to gradually reduce the role of international advisers. Attempts were made to address the concerns of the affiliate stations. A board of directors of international NGO representatives from the media industry and other fields was created in 1999 to take over the supervision and development of the OBN. While the network depended on donations from the U.S. and the European Commission (EC), it set out a longterm business plan to become commercially profitable. Although it was a long way from covering its operating costs, the OBN managed to attract significant advertising revenue in diffi-

<sup>&</sup>lt;sup>9</sup> This figure is based on estimates provided in interviews because U.S. documents were unavailable. After the first year and through FY 2000, SEED provided more than \$1million annually. The OBN documents on file at the OHR state that SEED provided \$1.9 million for FY 2000.

<sup>&</sup>lt;sup>10</sup> In 1999, about half the Bosnian public could receive the OBN signal. Of those, 49 percent of Bosniaks and smaller percentages of Croats and Serbs watched the OBN once a week. State broadcasters remained the primary source of news for all three ethnic communities. Only 12 percent of Bosniaks and fewer Croats and Serbs said they relied on the OBN as their main source of news.

cult economic conditions and a saturated media market in 1999–2000.

In the summer of 2000, the EC questioned the continued funding of the OBN and commissioned an audit of the network's finances. While the audit found no evidence of impropriety, it determined that the OBN lacked thorough financial controls. The United States lobbied the EC to assist the network's survival through the approaching elections in the autumn of 2000.

The OBN no longer receives international donations, and a liquidator has assumed management control. In November 2002, the network remained on the air with a skeletal staff.

With the EC pulling out of the OBN project, the State Department asked USAID to examine the possibility of assisting a new network of local stations with more modest funding. Five of Bosnia's strongest private television stations, including some former affiliates of the OBN, eventually formed a network in 2001 to share the costs of programming and attract advertising revenues. Unlike the OBN, the network is managed by the Bosnian stations without a central headquarters or full-time international managers.

Mreza Plus, launched in the fall of 2001, secured high audience ratings in its first year, ranking second place to the public system and dominating certain primetime slots (Jusic 2002). USAID donated more than \$450,000 to the network in 2001 and invested an additional \$350,000 in 2002 to help the network build on its successful launch. Another funding request for 2003 is pending.

## **Supporting the Creation of Private Media Outlets**

Broadcast Media

In addition to setting up a new television network, the United States sought to cultivate a private, independent-minded broadcast sector by providing training and equipment to local radio and television stations that emerged from the war. This program involved a number of approaches and institutions.

Approaches implemented during the period included:

- Financial independence. In a 1999 cooperative agreement between USAID and IREX, the goal of media development was defined as a "professional and financially self-sustaining independent print and broadcast media." The document added that financial independence was the key to media independence.<sup>13</sup>
- Market research. To help build a more prosperous, transparent media market, USAID funded market research beginning in 1998 to enable broadcasters and newspapers to secure more advertising and establish consistent audience ratings. Securing reliable research proved difficult immediately after the conflict and had to be contracted out to firms outside the country. Later, a Sarajevo company associated with an international firm emerged. For individual media outlets, USAID funded focus group surveys to help editors and managers understand how their editorial product could better serve the needs and preferences of the Bosnian audience.

USAID also worked with various institutions and entities:

■ *Internews.* In April 1996, Internews proposed providing assistance to fledgling local stations, citing the pernicious role of regime media.

<sup>&</sup>lt;sup>11</sup> In an August 2002 survey, Mreza Plus had a 12 percent audience share statewide, compared to a 30 percent share by the Federation entity broadcaster, according to Mareco Index Bosnia (MIB), Bosnia-Herzegovina member of Gallup International TV.

 $<sup>^{\</sup>rm 12}$  The word "professional" refers to journalistic ability, as described in the results framework.

<sup>&</sup>lt;sup>13</sup> In IREX's proposal to USAID, which was incorporated into the 1999 cooperative agreement, criteria for assistance were defined as follows: "Clients must demonstrate commitment to professional independence; must have the capacity to benefit from training; must c urrently or potentially be able to reach readers, viewers, listeners in significant quantities; must show a commitment to a multiethnic and democratic Bosnia; and must comply with IMC regulations and Bosnian law. IREX will seek to ensure adequate representation between the federation and the RS [Republika Srpska]" (USAID 1999a).

Under the one-year grant of \$800,000, Internews would seek to "encourage high-quality, objective news reporting," "help television and radio companies establish viable businesses," and "raise professional standards." A team of experts from Internews, including those who had worked with local broadcasters in Russia, would provide training and equipment to designated Bosnian stations. Internews assisted stations with program production, providing funding and technical advice on the production of documentaries or other innovative programming (USAID 1996).

- USAID awarded \$2.3 million to Internews for one year in June 1997, \$3.5 million in August 1998, and 4.3 million in 1999. If Internews sought to encourage the development of domestic programming, encourage fledgling production companies, and subsidize documentaries and other programs. Internews also supported the creation of an investigative programming team drawn from staff of six television stations.
- USAID cooperative agreements with Internews and IREX called for even more targeted support to specific stations and publications. The U.S. Embassy also reviewed the list of media recipients to ensure aid was not granted to a station with covert ties to extremist political factions or indicted war criminals. In some cases, assistance was directed toward the OBN affiliates. The initial SEED support for the OBN was channeled to the network's affiliate stations in the form of equipment and training, contributing to the development of these stations. Later, SEED provided direct funding to the OBN central studio.
- Association of Electronic Media (AEM). Efforts were made to help journalists and private media companies form associations that could lobby and protect the legal and commercial interests of the "fourth estate." After months of

- discussions and support from Internews, the countrywide AEM was established in June 1999. The association included stations from every region and ethnic community, and committed itself to lobbying for equitable licensing regulations and helping its members raise professional standards and programming quality.
- IREX. Media assistance had been split between Internews, which handled broadcasting, and IREX, which focused on print media. In September 1999, a cooperative agreement was tendered and awarded to IREX for the whole media effort, ending the previous division of labor and phasing out the role of Internews. Some Internews initiatives were gradually phased out, including support for program production and a national network of local, private radio stations (known as BORAM). Under the cooperative agreement with IREX, USAID committed \$14 million to media assistance over three years; this was extended to a fourth year.
- ONASA. Seeking to support cross-entity, multiethnic media outlets, USAID provided assistance to the news agency ONASA, which had been part of the Oslobodjenje newspaper in Sarajevo. ONASA received equipment, software, and financial assistance on the understanding it would expand to become a statewide service. Bureaus were eventually opened in Banja Luka and Mostar, and the news agency made some improvements with advice from IREX. But ONASA failed to make major changes to its editorial management or marketing practices. USAID and IREX gradually phased out the project after concluding that the agency had moved no closer to commercial viability and its management proved reluctant to follow through on advice repeatedly offered by IREX consultants.16

<sup>15</sup> Support for BORAM network continued for one year, under IREX's

interests of the "fourth estate." After months of understand guidance, until other donor assistance was secured. Some former Internews staff believe BORAM should have received continued USAID assistance.

According to IREX/Bosnia-Herzegovina activity reports (2002) and an interview with Drew Sullivan, print media adviser to IREX/Bosnia-Herzegovina.

<sup>&</sup>lt;sup>14</sup> USAID documents, award numbers: 168-0022-G-SS-7101-00; 168-0022-G-SS-8104-00; 168-0022-G-SS-8104-00.

#### Print Media

Because there had yet to be a Bosnian newspaper that offered countrywide news coverage or advertising, IREX persuaded USAID in 2001 to support the expansion of the Banja Luka's Nezavisne Novine into a countrywide daily. Although other newspapers such as Oslobodjenje aspired to national status, Nezavisne Novine was the first to invest in a statewide advertising campaign and editorial coverage. Along with equipment, extensive advice, and training, USAID provided a loan of 1 million Deutsche marks to enable the newspaper to purchase its own printing plant. This became the country's first privately owned printing press with the capacity to publish large daily editions. Apart from the loan guarantee, USAID donated \$467,856 to Nezavisne Novine under the 1999 cooperative agreement. Previously, the newspaper had received \$89,050 in USAID assistance (IREX/Bosnia-Herzegovina 2002).

USAID provided advice and assistance to publications attempting to overcome obstacles presented by the country's incoherent and politically manipulated distribution system. In some cases, USAID helped newspapers set up their own private distribution networks. IREX offered limited assistance to a private business in Sarajevo that helps distribute newspapers and magazines.

#### Creating "New Voices"

In its work with civil society organizations and news media, USAID's Office of Transition Initiatives (OTI) sought to "support moderate voices to change attitudes and behaviors" (Taylor 2000). OTI funded dozens of new independent media outlets, attempted to create monitoring groups to track media coverage, and promoted relationships between NGOs and media to increase the reach of political activism.

OTI emphasized shaping the political climate in a relatively short period of time, partly through funding the creation of new media outlets. Between February 1996 and May 2000, OTI issued 1,041 grants for media assistance with a value of \$9,453,689 (Taylor 2000). Grant recipients included the first multiethnic radio station in Mostar.

Radio 88, and more moderate, balanced news media in the Republika Srpska, including *Reporter* magazine.

## Raising the Professional Standards of Journalists through Training

Journalism training funded by USAID was initially offered on a general basis, with open courses. Over time, it became more systematic and focused on specific outlets. Training was intended to support the objective of building a more "professional" news media, offering technical advice and educating young journalists and more experienced editors about journalistic balance. Training opportunities included

- journalism seminars on specific subjects, such as how to employ the internet as a reporting tool and how to cover banking, courts, and war crimes trials
- study tours to help journalists and managers to learn first-hand about the media industry in the West
- sponsored visits for members of the broadcasters' association to learn about other associations and the workings of the commercial television industry
- training and journalism fellowships at news organizations and universities in the United States, offered by the Department of State through the former U.S. Information Service (now the Office of Research)
- on-the-job training as an indirect form of training made possible by direct aid to news organizations
- business training to media outlets on every aspect of advertising sales, marketing strategies, and management structure

#### **IREX Contribution**

IREX donated translated materials for training, subsidized a textbook published by a prominent Sarajevo journalist, advised a former journalist on

launching a new journalism curriculum at Sarajevo University, and published a newsletter on internet-based reporting. IREX pursued a systematic approach to training staff on the daily newspaper *Nezavisne Novine*, focusing on decisionmakers in the newsroom, the organization of the editorial staff, and planning story assignments. IREX also assisted the newspaper in recruiting new reporters through an elaborate training and selection program. The newspaper hired the most promising participants. IREX's experience with *Nezavisne Novine* proved successful partly because its management was open to taking advice and conveyed its importance to staff at all levels.<sup>17</sup>

#### **Shaping the Legal Environment**

In the winter and spring of 1998, a secondary strategy sought to introduce a coherent, fair, and transparent regulatory framework to the chaotic broadcasting sector. This was intended to reduce incidents such as occurred when the NATO-led peacekeeping force was forced to seize the transmitters of SRT, the Republika Srpska-controlled television network, after incendiary broadcasts that made comparisons between Nazi SS troops and NATO peacekeepers.

Donor governments were anxious to avoid further confrontations. The objective of the framework was to discourage incitement to ethnic hatred and violence and help balance journalistic rights and responsibilities. In December 1997, the principal governments sponsoring the implementation of the peace agreement supported the high representative's proposal to create a broadcast licensing body, and they granted to the high representative enhanced authority to impose solutions when faced with political deadlock.<sup>18</sup>

In the summer of 1998, the Department of State and the EU funded the establishment of a broadcast regulatory body under interim international When the regulatory body was established, it inherited an anarchic sector with more than 280 broadcasters operating on 750 transmitters. Temporary licenses were issued to all stations with prospect of long-term licenses being issued later. Stations that abided by the regulator's code of practice—a standard, simple code resembling rules set down in other democratic countries—would have a better chance of obtaining a long-term license.

Beginning in October 2000, the CRA launched a competitive procedure for long-term licenses. Stations had to prove they had balanced programming, sufficient finances, management skills, adequate technical standards, and some semblance of audience research. In a move that was long overdue, the CRA licensing decisions reduced the number of radio and television stations by about 30 percent, from 258 stations to 183 (CRA 2002). Among the stations weeded out in the competitive process were dozens of politically controlled "public" stations funded by municipalities and cantons.

The CRA has required significant funding from its primary sponsors, the United States and the EU. Since its creation in 1998, the CRA has cost approximately \$19 million.<sup>19</sup>

USAID later helped fund other legal initiatives to encourage the free flow of information, including expert advice for the drafting of a freedom of information law and a new defamation law that removed criminal sanctions. In 2001, IREX worked in cooperation with American Bar Association's Central European and Eurasian Law Initiative to help educate journalists, lawyers, and judges about

supervision. The Independent Media Commission (IMC), which later became the Communications Regulatory Agency (CRA), included a U.S.-sponsored appointee who led the licensing department. An American telecommunications expert, formerly with the U.S. Federal Communications Commission, served as a consultant to the IMC and on the commission's policymaking bodies.

<sup>&</sup>lt;sup>17</sup> This information was provided by Mark Whitehouse at IREX/ Washington DC and Drew Sullivan at IREX/Bosnia-Herzegovina.

<sup>&</sup>lt;sup>18</sup> The justification for the authority was drawn from a new interpretation of the peace agreement, which refers to the high representative as the "final arbiter" of the peace accords.

<sup>&</sup>lt;sup>19</sup> Interview with Dieter Loraine, acting director of the CRA and former head of public affairs.

the new laws. IREX trained Bosnian journalists on how to use the freedom of information law for investigative projects.

Industry associations assisted by USAID contractors such as AEM have begun to play a role in shaping the legal environment. AEM secured amendments to electoral coverage rules after presenting its position to the country's election commission and the CRA.

#### Reform of State Broadcasting

USAID and other U.S. Government agencies provided "limited technical assistance" in the form of expert advisers for the public broadcasting reform effort from 1999 to 2002. The principal adviser helped broker negotiations that led to cooperation among entity public broadcasters for multiethnic coverage of international sporting events. The adviser also produced a study and recommendations on the financing of the public broadcasting system. State Department representatives urged Bosnian authorities to reform the state system to conform to these public service standards.

#### **Other Donor Strategies**

At least in part, USAID's approach to media assistance in Bosnia emphasized programs designed to build robust commercial media outlets, including the funding of market research and transfer of business skills. U.S. assistance has been distinguished by the permanent field presence of its media contractors and by efforts to promote industry associations. Shaping the legal environment for free media became a priority later, beginning in 1998, but remained secondary to direct aid to selected stations and publications.

Compared to USAID, European donors placed less emphasis on commercial "viability" in the short or medium term. These donors viewed media assistance primarily as a means of building democracy and pluralism, especially in harder-line areas with closed political climates. Commercial sustainability was treated as a longer-term and secondary aspiration in a country with an anemic economy.

All media donors have supported various forms of journalism training over the past six years. Focusing on training initiatives offers a safer course of action for cautious donors: it avoids confrontation with entrenched political interests and does not require the kind of supervision and administration that other forms of assistance entail.

U.S. and other donors believe that the most effective journalism or business training takes place at the workplace over an extended period of time. It focuses on decisionmakers—managers and editors—not merely younger staff. This approach evolved from practical experience over the past six years. Training tends to be treated as an element of a wider assistance package that reinforces the donation of equipment, cash, or other assistance.

The United Kingdom and OSI created a new center for broadcast training—the BBC school—that developed links with local universities and helped shape a new generation of journalists. The school started with courses taught by BBC journalists in 1995, later shifting to Bosnian instructors teaching 10-week courses in the local language. OSI also funded the creation of Media Centar Sarajevo, an archival and research center that collects materials on Bosnia's media sector and supports some research efforts.

To make the news media more accountable, promote media literacy, and assist international assessments of the media sector, donors supported independent monitoring and analysis by Bosnian experts through the Media Plan Institute, a Bosnian NGO. It has been supported by a wide range of donors, including USAID and the National Endowment for Democracy. The institute has since shifted its emphasis to education, launching a journalism school with funding from France and in association with a French journalism faculty. In contrast to the BBC school, the Media Plan faculty offers a full academic course of study that focuses on print journalism skills.

OSI has played a unique role in shaping the most successful media assistance projects in Bosnia-Herzegovina. A Bosnian committee's advice meant

that OSI benefited from domestic expertise and insight. OSI has also enjoyed continuity in its media development personnel. Adopting a patient, consistent approach, OSI placed the highest priority on editorial quality and integrity while encouraging financial sustainability for aid recipients.

#### **EC** Media Assistance

The EC spent more than €20 million on media assistance from 1996 to 2002, and is the only donor government body that comes close to U.S. levels of funding for media assistance (CRA 2002b). Unlike USAID, the EC had no field presence or dedicated staff to oversee media development projects and they have suffered from delays in delivery of funding.

Until recently, the EC tended to award funds to a list of media outlets based on applications received rather than a consistent strategy of media assistance. Like other donors, the EC wished to support "independent media" to promote a more moderate political climate. Since 2000, the EC has adopted a new strategy: devoting most or all of its media assistance to the reform of the country's public broadcasting service. After donating €4.7 million to the OBN, EC support for the network was withdrawn and significant resources directed to reform efforts in the publicly funded broadcasting system.<sup>20</sup> This represented a drastic strategy shift in strategy for the EC and created a financial crisis at the OBN and its affiliate stations.

Apart from EC donations to the public system, the United Kingdom has embarked on an elaborate technical assistance initiative for public broadcasters. In April 2002, the U.K.'s Department for International Development launched a multiyear consultancy with a team of BBC editors and managers at a cost of more than £2 million.

## International Governmental Organizations

Other international governmental organizations played a significant role in media assistance. The

OHR, funded by the United States, the European Union, and other major donors, was assigned the task of overseeing the civilian aspects of the peace agreement. Through a series of decrees, the high representative called for the end of illegal retransmission of state Croatian or Serbian television and the replacement of the wartime entity broadcasters with a new public, statewide system with transparent finances, overseen by nonpartisan, multiethnic governing boards.

The high representative's decisions were obstructed by vested political interests, since Bosnian Serb political parties particularly opposed any public broadcasting at the state level. The OHR lacked leverage to pressure the authorities into complying with the reforms and relied on international "advisers" assigned the task of pushing for the reorganization of the entity broadcasters.

In 1999, amid the crisis in Kosovo, the CRA halted the illegal retransmission of state Serbian television, with the tacit support of the government in Republika Srpska. For more than a year, the CRA struggled to regulate the retransmission of Croatian state television but its decisions were flouted. After the nationalist regime in Croatia was defeated in elections in the winter of 2000, the CRA put an end to illegal transmission and predatory practices by Croatian state television in Bosnia-Herzegovina.

In 1999, citing threats to journalistic inquiry, the high representative cancelled criminal sanctions for defamation. He called for the drafting of new defamation and freedom of information laws whose creation was overseen by the Organization for Security and Cooperation in Europe (OSCE).

The high representative also created a new, statewide public broadcasting service and called for the drafting of a new law by its multiethnic governing board. This law was supposed to ensure the system's editorial independence, financial transparency, and multiethnic development. However, the board and the OHR sought only limited consultation with the public, other official entities (including the United States), the CRA, and the private broad-

<sup>&</sup>lt;sup>20</sup> Interview with Frane Maroevic, press and information officer, EC mission in Bosnia-Herzegovina.

casters' associations. The United States protested the generous advertising rights granted to the public broadcaster for a period of several years.

The OHR took on multiple and contradictory roles: as a political actor and ultimate international authority in Bosnia, founder of a regulatory agency, fundraiser for a specific broadcasting project, and advocate for media legal reforms. The need to present policies and official positions in the best light and the developmental goal of supporting independent-minded news media produced similar but less acute conflicts of interest for donor governments.

Donor governments and the high representative often viewed media initiatives as a potential tool to quickly reshape the troubled political climate. As a result, the OHR's strategy in media assistance—as in other policy areas—was often influenced by successive election cycles. The OHR's expedient approach to federation television illustrates those short-term pressures.

Yet the OHR did succeed in putting media freedom and legal reform on the political agenda, confronting government authorities over their manipulation of the state media. The OHR pushed for the creation of the CRA and initiated a reform process that, though flawed, has already changed the face of the old state broadcasters.

The OSCE mission had its own media development budget that supported some private media outlets. This led to conflicts of interest similar to those that plagued the OHR. The OSCE inherited the supervision of a statewide radio service (Radio Free Election Radio Network—Fern), funded by the Swiss government. Though the project was supposed to be a temporary venture for the 1996 elections, with funding from the OSCE and technical advice from Swiss consultants, it evolved into a permanent current affairs radio network. When funding was running out in 2001, the OSCE agreed to transfer the multiethnic radio network to the newly established public broadcasting service. Radio Fern became Bosnia-Herzegovina Radio One, which has been praised for its editorial quality.

The OSCE set up a helpline for journalists under threat and intimidation, helped educate police about the rights of journalists, and funded an analysis of the media sector by a group of Bosnian experts. As requested by the OHR, the mission oversaw the drafting of new defamation and freedom of information laws, organizing public conferences, and inviting legal experts from abroad and within Bosnia. The defamation and freedom of information laws have come into force, either by imposition by the high representative or by parliamentary vote.

# Achievements A Vibrant, Independent Private Media Sector

U.S. media assistance has helped build a private media sector that offers Bosnian citizens a wide range of opinions and information and an alternative to nationalist or state media. Several print and broadcast outlets that received U.S. aid contribute to a more open, democratic climate. They are profitable businesses, or are moving toward profitability. The combination of financial aid, equipment, and training in editorial and business skills has helped foster a new generation of independent-minded media.

The fundamental precursors to this achievement were that the U.S. Government attached a high priority to media assistance in Bosnia's postwar democratic development and committed significant resources to the effort. Bosnian and international sources interviewed agreed that U.S. assistance helped cultivate a private media sector. Some said it would be hard to imagine the Bosnian media without such assistance; some quality news media might not have survived without it. The media sector and news content made a great deal of progress between 1996 and 2002. In seven years, the media sector has become more open and professional. U.S. assistance served as a catalyst for that change.

In 1996, no private broadcaster could cover its operating costs or claim to have a major share of the viewing audience. State media were under

explicit and direct political control by the parties that had helped plunge the country into war. State broadcasting had no genuine competition, and the dominant news coverage catered to the nationalist parties.

In 2002, private media provide a range of news and opinion. An increasing number have become profitable, ending the media monopoly once exercised by the nationalist parties. Explicit political control of broadcasting licensing has been replaced with a transparent, nonpartisan framework. Although still deeply flawed, state broadcasters have nonpartisan governing bodies and multiethnic editorial staff, and they have shed the excesses of the past. U.S. advisers and State Department diplomacy contributed to that progress.

Technically and thematically, the presentation of the news in private media improved, partly because of equipment and extensive training offered by USAID's international and domestic consultants. Civic-minded parties or NGO activists, once invisible except in a handful of publications, now receive prominent coverage and airtime. No region is offlimits to journalistic inquiry or open debate: several publications and stations in Republika Srpska broke the once formidable closed climate that existed in 1996. USAID assistance enabled these alternative voices to emerge in politically hostile areas.

Physical attacks against journalists and official harassment of news media by the police and courts have significantly diminished since 1996, partly due to the presence of international authorities and human rights monitors. U.S. Embassy attention and protests against threats to media freedom helped protect some journalists and news organizations from further excesses.<sup>21</sup>

According to focus group research conducted between 1998 and 2002, alternative, private media that received USAID and other international assistance established credibility with the Bosnia public at a level equivalent to that enjoyed by the state or politically controlled outlets. Moreover, the credi-

Audience ratings for politically controlled or state media have remained high, partly because these media outlets are seen to signal the views and intentions of those in power. But focus group research indicated that Bosnians turned to alternative media as a more trustworthy news source. The research demonstrated that Bosnians now have access to a wider range of information and perspectives.<sup>23</sup>

#### **Broadcast Media**

Recipients of USAID assistance in the broadcast sector—including stations such as Alternativa TV in Banja Luka, NTV Hayat in Sarajevo, and Radio Kameleon in Tuzla—produce quality, balanced news and current affairs programming with a creative flair. These stations have become profitable or are close to profitability in a difficult market. They will help shape the future course of the industry.

U.S. expert advice and assistance has played a crucial role in building these stations into viable businesses with quality programming and effective business management. In some cases, such as ATV, USAID collaborated with other donors to help quality outlets. In other cases, such as NTV Hayat, USAID took a leading role as the principal donor. News coverage of crises and controversial news stories by these USAID clients has proven to be balanced and accurate over a period of several years. USAID assistance also helped these outlets expand their coverage to social and health issues.

The OBN was set up to break new ground in a closed, nationalistic environment. Measured against that original goal, the OBN achieved suc-

bility of these private media outlets rose over the four-year period while politically controlled media suffered a decline in credibility or no improvement.<sup>22</sup>

<sup>&</sup>lt;sup>22</sup> Based on Maureen Taylor, Final Evaluation of OTI's Program in Bosnia and Croatia for USAID (2000). Taylor is an assistant professor in the School of Communications, Information and Library Studies, Rutgers University.

<sup>&</sup>lt;sup>23</sup> A focus group survey conducted for TV Hayat by Prism Research indicated that most viewers watch several news programs and compare how events are covered: "The majority of participants stated that they do not trust or rely on any one news program completely" (Prism Research 2000b, 55).

<sup>&</sup>lt;sup>21</sup> Interviews with various Bosnian journalists.

cess within its first two years, broadcasting balanced news and current affairs programming across de facto ethnic boundaries. This achievement came despite strenuous efforts to obstruct the network by the nationalist authorities, particularly the Bosniak SDA party. Many Bosnian journalists credit the OBN with breaking down psychological walls between ethnic communities and paving the way for other journalists to acknowledge all three ethnic identities in their reports.

The OBN organized live current affairs programs that brought politicians from rival parties together for the first time, forcing them to answer questions from journalists and the public. International representatives were allowed to explain their policies without tendentious editing. They too had to address the concerns and complaints of Bosnian citizens. Leaders and activists from NGOs, universities, and theaters were given a platform denied them by the political commissars running the state media. Before the 1998 elections, the OBN's countrywide network made it possible to broadcast the first live election campaign debates in Bosnia's history.

Even after international aid to the OBN ended in 2000, the affiliate stations that had received equipment and training continued to progress. Whatever the OBN's shortcomings, it left behind several quality local stations and a legacy of editorial integrity that raised the bar for Bosnian broadcasters. The state broadcasters' bias and stagnation were exposed, helping to force changes in news coverage and editorial personnel.

The Mreza Plus project built on the work of the OBN experience, utilizing some of the same stations but putting greater emphasis on commercial sustainability. The network has already earned significant ratings and advertising revenue, posing genuine competition to publicly funded broadcasters. In many ways, Mreza Plus represents the fruits of years of media development efforts in the broadcasting sector. The five stations in the new network have benefited from previous USAID expertise and support, gradually improving their management skills, editorial product, and commercial prospects. These stations are at an advanced stage and conversant in the work-

ings of commercial television. This is in stark contrast to the market conditions in which the OBN was launched, when local stations did not have even a basic understanding of television advertising sales, marketing, or programming strategies.

#### Print Media

USAID provided assistance to news organizations that published bold reporting and commentary, shaping the political agenda and providing an alternative to nationalist propaganda. A few, including *Dani* and *Slobodna Bosna* in Sarajevo, had already published stories on taboo topics during the war. After the conflict, these publications were joined by *Reporter* and *Nezavisne Novine* in Republika Srpska in attempting to hold government authorities and the international donors accountable to the Bosnian public.

Newspapers and magazines have confronted the most pressing issues of the day, including corruption and collusion among nationalist parties, documentation of war crimes, and social problems. Except for *Reporter*, these publications have not necessarily adopted a neutral editorial stance. Nevertheless, they have made an important contribution to democratic debate and challenged the nationalist rhetoric promulgated by nationalist party media. *Slobodna Bosna* has become a viable news business that no longer depends on international donations. *Nezavisne Novine* is also a viable business, earning a monthly net profit.

The transformation of *Nezavisne Novine*—from a Banja Luka publication aimed at an ethnic Serb audience into a statewide newspaper—is another important achievement that could not have been realized without consistent USAID expertise and financial assistance. A loan allowed *Nezavisne Novine* to buy its own printing press and become the first publication in Bosnia to break the printing monopoly exercised in Sarajevo by the OKO printing press. The newspaper has increased its revenues and won over new readers.<sup>24</sup> It is too early to predict whether *Nezavisne Novine* will capture a genuinely nationwide audience, but it has had a promising start.

<sup>&</sup>lt;sup>24</sup> While readership for most print media declined between September 2000 and September 2002, readership for *Nezavisne Novine* increased 6.4 percent, according to an IREX-funded survey.

OTI support helped create independent-minded media in politically hostile, closed municipalities and cantons. At a time when divisions began to appear in the Serb Democratic Party (SDS), OTI identified more moderate voices in Banja Luka and Bijeljina that helped open up debate in the entity. In the divided city of Mostar, OTI helped sponsor the first genuinely multiethnic station, Radio 88. Despite threats from nationalist elements, the station has served both the Bosniak and Croat communities and has won wide praise for its tolerant, quality programming.

## Transfer of Business Skills and Standards

USAID played a unique role among donors in introducing business and management practices that have transformed the way many media companies operate in Bosnia. Several managers of successful private media outlets say the most valuable assistance they received from USAID was not cash or equipment, but know-how passed on by consultants. Perhaps most importantly, by subsidizing market and audience research, USAID helped create a more transparent, competitive, and efficient media market that is moving toward international standards and clearing the way for foreign investment in the sector. This assistance embodies the best form of development aid, empowering the recipient and improving fundamental market conditions.

## Formation of Crucial Media Associations

USAID, first through Internews and later through IREX, assisted broadcasters in forming a broadcasters' association that raised standards in the industry and lobbied to protect its legitimate commercial interests. The association is led and managed by Bosnian nationals and, by all accounts, was nurtured by USAID contractors without undue pressure. As a result, AEM enjoys the confidence of member stations and successfully lobbied for amendments to electoral coverage rules and licensing regulations set down by the CRA. This association is helping to forge solidarity among private broadcasters and is an important pillar of an emerging fourth estate.

IREX helped encourage development of the country's advertising sector by introducing advertising companies to the benefits of the International Association of Advertisers (IAA). Bosnian advertising firms formed a chapter, and the exchange of information and contacts has already proved fruitful.

IREX helped journalist associations become more accountable, persuading the two leading organizations to embrace some basic reform and reorganization. Overcoming rivalries and ethnic divisions, the associations formed an umbrella council in November 2002 to coordinate their efforts and protect their interests. This represents a success for IREX's patient education and lobbying efforts.

#### **Initiation of Legal Reforms**

The United States provided significant funding and expert personnel for the IMC and CRA, which helped establish transparent, fair broadcast regulation that removed political manipulation from the licensing process. The CRA succeeded in virtually eliminating inflammatory broadcasts and has improved the balance and quality of programming without resorting to draconian action.

Responding to the incentive of securing a long-term license, most broadcasters sought to avoid the threat of sanctions and fines and complied with the body's regulations. The CRA enjoyed credibility among broadcasters because its code of practice was seen as a reflection of international norms and its procedures emphasized due process. The CRA forged a constructive relationship with the industry and only revoked licenses in a handful of cases, after appeals and discussions failed. The CRA's staff and executive bodies included Bosnians as well as international representatives. It is increasingly becoming a domestic body, although foreigners retain in the position of director and a few other management positions.

Although the CRA has not been free of criticism, Bosnian journalists and industry analysts describe the regulatory body as the international community's greatest achievement in media development efforts (Media Working Group 2001, 33). The CRA now serves as a model of transparent regulation throughout the former Yugoslavia.

As for other legal and policy initiatives, USAID and IREX—through experts at the law firm of Covington and Burling—provided valuable assistance in drafting a new defamation law and freedom of information law. Ad hoc legal advice has also been provided or subsidized for journalist associations and media outlets.

### Challenges

## Media Assistance During the Conflict Would Have Been Beneficial

USAID and the Department of State missed a valuable opportunity to provide assistance to civic-minded, tolerant media during the Bosnian war, when the U.S. Government was funding media assistance efforts in Croatia and Serbia and providing other types of humanitarian aid in Bosnian government-held territory. By providing media assistance during the conflict, USAID might have gained valuable knowledge that could have shaped a strategy for the postwar period.

#### A Coherent Strategy Was Needed

Instead of an overarching strategy for U.S. media assistance efforts, there were competing goals and programs:

- The SEED coordinator's office pursued the goal of establishing a new, internationally managed statewide television network.
- USAID ENI media contractors sought to support a select number of existing local stations.
- USAID's OTI mission worked toward the goal of launching numerous new media outlets based on political criteria.

Because these separate goals were not reconciled into a strategy, the full benefit of media assistance was lost.

OTI's approach—designing temporary intervention in the aftermath of conflict or crisis—contrasted sharply with the philosophy of USAID media contractors who tried to cultivate and develop a select number of the best media outlets. OTI's strategy seemed to have no connection to the OBN project: it channeled funding to wholly new stations and publications, though this changed when OTI provided significant funding to the OBN affiliate of ATV in Banja Luka.

Media development contractors such as Internews or IREX justify their approach of supporting the most promising media outlets as more effective in the long term. If there had been a written strategy and close coordination on candidates for assistance, it may have been possible—though difficult—to forge a compromise between these separate approaches. But that was not the case.

Launching dozens of new media outlets in a small, impoverished country carries real risks. Experienced, talented journalists were ignored at existing stations while OTI funded new outlets that seemed to fit purely political criteria. As a result, some of the new media that were created lacked journalistic credibility. These OTI "startups" were sometimes seen by the local population as purely political enterprises. When the more moderate political faction in Republika Srpska was elected, some of these new media outlets became servants of the new government. USAID media contractors worried that OTI's more politically driven efforts could undermine the overall credibility of assistance efforts.

OTI's strategy also meant that the effect of significant media assistance funding was dispersed over an overly wide field. Some of the new media launched by OTI lacked any significant audience or realistic prospects for gaining an audience, undermining the premise of the "new voices" strategy. Three branches of U.S. media assistance, with different lists of clients, were competing for the same limited pool of journalistic and managerial talent. Concentrating aid on the most promising outlets—or at least on the same stations as other USAID contractors—would have been more cost effective.

In hindsight, it is unclear whether the emergency intervention that defines OTI's mission was necessary in the media field more than two years after the end of the Bosnian conflict. The country's news media had begun to move forward in that period, and the market had become totally saturated.

The OBN project shared OTI's goal of providing an alternative to nationalist media. Its original concept embraced the notion of developing the affiliate local stations in the spirit of USAID media contractors. Internews and IREX missions provided advice and assistance to member stations and the central studio. But the OBN initiative was formed with such urgency and with so many different donors vying for influence, little attention was paid initially to how the network would evolve or wean itself off large donor investments. That some donors suggested abandoning the project once the 1996 election had been held illustrates the total absence of strategic planning.<sup>25</sup>

This lack of strategy meant that different donors came away with different interpretations of the OBN's mission and prospects. In their eagerness to secure continued funding, OHR and OBN staff sometimes persuaded donor governments that commercial viability was just on the horizon when, in fact, it was not in sight. When the OBN's ambitious commercial goals were not met rapidly, donor governments became anxious about a potentially open-ended project.

Competing strategies sometimes produced counterproductive conflicts among U.S. agencies and staff. The lack of a coherent policy and preferences of various personnel meant that assistance efforts sometimes lurched from one direction to another.

Experiences and lessons from other media assistance efforts—in Latin America or Eastern Europe, including the work of the International Media Fund—could have been applied to the drafting of a coherent strategy. Such a strategy could have made use of the insights of international broadcasters, such as Radio Free Europe, or other donors already active in the Balkans, such as Sweden or OSI.

#### Legal and Policy Environments Should Have Been Considered

The peace agreement did not set out how the media would be regulated or how the assets of the old communist state television system, cannibalized by nationalist forces during the war, would be governed. However, the agreement contained language that allowed for robust international authority, including the control of the Stabilisation Force (SFOR) control over the frequency spectrum. It also called for the creation of new government institutions that conformed to the letter and spirit of the peace agreement. But this international authority was not exercised and valuable political momentum was lost.

Donor governments, the OHR, and SFOR exercised their authority in the media field in the fall of 1997, when the situation had become dire. Troops in the peacekeeping force seized broadcast transmitters to put an end to SRT's attempts to incite the public against SFOR, the Serb political opposition, and the peace agreement itself.

Legal and policy issues in the media sector did not receive U.S. or international attention or priority until after the SFOR takeover of SRT transmitters. The Department of State SEED coordinator's office then delivered significant funding for the IMC (and later the CRA), and USAID media contractors raised awareness of the regulator's work among broadcasters. USAID sponsored legal expertise in the drafting of important media legislation, such as the defamation and freedom of information laws. The State Department took a keen interest in the agreement with Bosnian Serb authorities on the restructuring of SRT and, later, in attempts to regulate Croatian state television's operations in Bosnia. U.S. representatives took a leading and decisive role in shaping the international response to those issues.

Apart from these exceptions, media law and policy issues received secondary priority: the primary focus was on direct aid to media outlets. From 1999–2002, a U.S.-sponsored adviser assisted with the reform effort by providing programming advice to the public broadcaster, but important policy

<sup>&</sup>lt;sup>25</sup> Interview J. Fox, OSI media consultant.

issues were in effect ceded to the OHR and to nationalist Bosnian political parties.

USAID's strategy rightfully places a high priority on a private media market as a way of building journalistic independence. But experience elsewhere—especially in other postcommunist states—shows that quality news organizations can be bought out and hijacked by vested interests. Legal and regulatory reform and legal assistance to journalists and associations can play a useful role in discouraging such takeovers and monopolistic practices, while encouraging transparent and fair competition. Legal reform is a way of protecting USAID's investment in media assistance by ensuring a more fair, efficient media market.

Training to develop a core of capable media lawyers has also been sorely lacking in Bosnia, and would have been an effective complement to other legal reform efforts. In a report sponsored by the Stability Pact for South Eastern Europe and the OSCE mission, a group of Bosnian journalists called for developing more effective legal counsel for news media.

#### State Media Required Reform

Just as a private media sector can balance and complement the shortcomings of the public or state broadcaster, a reformed public system offers its own kind of balance and competition, raising the overall standard of broadcasting and promoting domestic production.

The state broadcasting system posed a problem that could not be ignored or driven out of existence merely through competition. Ideally, it needed to be dissolved and a new modest organization created, or, if that approach was not possible, then the state system needed to be strictly regulated and reformed under international supervision. Unfortunately, this did not occur. Just as the Dayton Peace Agreement gave birth to awkward arrangements that included three parliaments and two armies, Bosnia now has three public broadcasters—one for each entity and one for the state.

However daunting, initiating changes in the state broadcasting system is a natural element of a

democracy agenda in a setting such as Bosnia. This action does not have to come at the expense or the exclusion of the goal of creating viable private media. By placing limits on the public broadcaster and forcing an end to ethnic hate speech, reform efforts could complement the development of the private sector.

Bosnia could benefit from U.S. commercial broadcasting as well as European public media models. Hybrid options that draw on elements of the private and public sector (such as Britain's Channel 4, which combines advertising with some public service duties) have yet to be explored.

In addition, a key part of the policy debate needs to focus on resolving the public broadcasters' deeply flawed system for collecting license (subscription) fees.

#### **Donor Coordination Was Needed**

As the largest (or one of the largest) donors in the area of media assistance, the United States occasionally succeeded in encouraging other donors to support the same projects and responded to other requests. Ad hoc alliances of donors supported news organizations such as *Dani*, ATV, Radio Kameleon, the OBN, and Mreza Plus. These alliances have often proven effective.

In the absence of its own coherent media assistance strategy, the United States was ill equipped to forge a consensus or a compromise among other donors. However, the same was true of most of the other donors.

## **Top-Down Management Caused Problems**

The OBN was designed to address the poisonous media propaganda generated by nationalist parties. In many ways, it fulfilled goals by providing a countrywide, multiethnic program that represented a genuine alternative to nationalist rhetoric. However, the project was planned and managed by fulltime international advisers, some of whom had

<sup>&</sup>lt;sup>26</sup> USAID ENI bureau did formulate a written strategy in 1998 but the State Department SEED assistance coordinator's office and OTI continued to pursue separate, contradictory efforts.

no broadcast media experience. This may have been the OBN's greatest failing: it is the most frequently mentioned criticism, by Bosnians and international representatives alike. Instead of empowering Bosnian media, the project was designed and carried out from the top down, alienating some of the network's natural constituents.

Partly due to urgent requests by the SEED coordinator's office, strenuous efforts were undertaken to rectify the dominant role of international advisers and grant more responsibility to the Bosnian staff. By 1999, the trend was moving away from the top-down approach, but the damage had been done. Once the OBN was perceived as an international import, many erstwhile allies of the project became skeptical. Many editors and managers who might have been able to run such a network were reluctant to join a project dominated—or seen to be dominated—by foreign advisers and diplomats.

Exacerbating the top-down strategy, donor governments chose not to hire a contracting organization or consortium with knowledge and expertise in setting up and managing a television network.

Instead, the OBN was managed and developed in an ad hoc manner. Diplomats and press officers from donor governments and at the OHR found themselves making decisions about programming, transmission, marketing, and editorial personnel. Donor governments also initially failed to address how the network might become a permanent, self-sufficient broadcaster. By the time they did, an expensive, centralized system had been put in place that would have taken years to become profitable.

The OHR and the EC have been criticized for taking same the top-down, short-term approach to reforming the public broadcasters, prompting comparisons to the OBN experience. The Stability Pact report on media calls for a realistic, long-term plan to avoid mistakes made in the past (Media Working Group for Bosnia-Herzegovina 2001, 22).

#### Flexible Management and Continuity of Personnel Would Have Been Helpful

Much time and effort were expended on manage-

ment and supervisory issues instead of allowing contractors to focus on Bosnian media clients. Management and coordination of media assistance efforts were not centralized but diffused among different units and different personnel.

From 1996 to 2002, a succession of USAID personnel and media contractors worked in media assistance in Bosnia. The lack of personnel continuity meant that policies and practices were not always consistent. Media donors with a simpler supervisory arrangement and more personnel continuity were able to focus on the aid recipients in a consistent, straightforward manner.

## Conflict-of-Interest Guidelines Were Warranted

Donor governments granting assistance to media outlets are always vulnerable to criticism that they may be using development aid to promote a more sympathetic presentation of their policies. Donor governments maintain that media assistance comes without editorial strings. In interviews conducted, Bosnian editors and managers confirmed that USAID and other donors did not try to use aid to exert control over news coverage.

Overall, the customary criteria for media development efforts—editorial quality, business acumen, prospects for viability, and readiness to accept advice—were respected. The credibility of media assistance efforts was preserved. But these examples illustrate the sensitivities involved in media assistance. These dilemmas are not new: they will appear again in Bosnia and elsewhere. Perhaps it would be useful to clarify guidelines for USAID and State Department staff to ensure that media development assistance is not seen as a public relations vehicle or agent.

## Research Should Have Been a Higher Priority

Encouraging domestic organizations to conduct monitoring and analysis of the media sector has tended to rank low as a priority in USAID media assistance. Nevertheless, any long-term strategy for developing a thriving media sector should include this monitoring, policy research element. Consistent research and surveys are crucial to understanding public attitudes toward news media and the evolution of the industry. Baseline data would have helped shape media assistance strategy and provided a yardstick for progress or adjustments.

## Program Production and Radio Needed More Attention

Internews launched worthy initiatives in the field of broadcast programming production that brought groundbreaking documentaries and other production to Bosnian television and radio. Promoting the creative and marketing skills required for quality domestic production should form part of a long-term media assistance strategy, particularly in a country where television is the dominant source of information and entertainment. Similar training and subsidies for investigative journalism were funded by USAID in the print sector.

Although television is the most influential media in Bosnia, radio retains a significant audience—much larger than in print media. Internews helped a group of local stations form a countrywide network, BORAM, as a means of attracting more advertising revenue and sharing costs. The network proved a success and avoided the kind of top-down problems encountered with the OBN. USAID and IREX chose to gradually phase out assistance. At the same time, OTI had been funding numerous radio stations and other media outlets with small audiences throughout Bosnia.

#### Selection of Local Partners Was Key

Perhaps the most important and difficult decision for a donor is choosing the domestic media or journalists that will receive assistance.

- OTI chose local partners on the basis of their abilities to shape the political climate by offering a less nationalistic perspective.
- Other USAID development work used business acumen, editorial quality, and a readiness to accept expert advice as their criteria. In some cases, editorial quality and balance were overlooked.

- Despite its daily rebroadcast of the Milosevic regime's state television news, NTV in Banja Luka continued to receive assistance from Internews and OTI. Later, assistance was halted and directed to ATV.
- IREX provided assistance to the newspaper Vecerne Novine with the aim of converting it into a statewide publication though the quality of its news coverage was dismal. More careful research would have raised serious questions about the value of assisting such a publication. The project was dropped when the newspaper was bought by an individual indicted on terrorism charges.

To minimize risks and ensure the best value for media aid, a prospective recipient has to display editorial quality and integrity. Through translations of media reports, contracting organizations, and international broadcasters, donor agencies should become familiar before approving grants with the content and tone of a newspaper, radio or television station, or a journalist's work.

# Effect of Assistance on Bosnian Society

No statistic or survey can provide a clear measurement of the effect of U.S. media assistance in Bosnia-Herzegovina. But some tentative conclusions about the role of media assistance can by drawn by looking at trends in public opinion, political developments, the media industry, news content, and the impressions of those familiar with Bosnian media.

Although the purpose of U.S. media assistance varied and was not always coherently defined, there were clearly expectations that media assistance could help transform Bosnia's political climate and enable the election of more civic-minded, moderate political parties. Measured in these terms, media assistance—along with other development efforts—has not delivered the kind of dramatic change that donor governments hoped for. But media assistance has contributed to a more democratic, pluralistic environment in which the threat of war has receded.

Despite a myriad of efforts designed to promote tolerance and multiethnic cooperation (including media assistance activities), Bosnia's three ethnic communities remain distrustful and divided over fundamental issues. With the rest of Bosnian society ethnically segregated, only a handful of news media have managed to buck the tide. As the Stability Pact's Media Working Group wrote: "Today, there are practically no physical or political obstacles to press distribution throughout Bosnia-Herzegovina, but ethnically divided publics have already grown accustomed to buying and reading only 'their own' press' (Media Working Group for Bosnia-Herzegovina 2001, 11).

The development of a more robust media sector represents one of many factors that has shaped Bosnia's political climate since the war, including the presence of a NATO-led peacekeeping force, the peaceful defeat of autocratic regimes in neighboring states, and generous economic aid. But according to sources interviewed, free media were an indispensable ingredient to the progress made thus far. Beginning in 1998, opposition parties were no longer shut out of the news media and believed they could communicate with potential voters through alternative or state media. Independent-minded news media have also forced international representatives and organizations overseeing Bosnia's peace agreement to be more accountable and transparent in their decisions and policies.

In a country that had no major private media until 1996, the emergence of an increasingly viable commercial media sector represents an important economic step. The size of the current broadcast advertising market is more than \$10 million, according to the most respected Bosnian advertising research firm. There are other estimates that the market is closer to \$20 million. Although there are no reliable numbers available about the size of the Bosnian media market after the war, there is no doubt that the advertising market has grown significantly since 1996, particularly for radio and television. Growth in media advertising is expected to continue, increasing competition and sales and creating jobs.

Foreign investment in commercial media has already begun in earnest in neighboring Croatia and Serbia and is expected to shape the future of Bosnia's media market. By offering business advice and capital to promising media outlets, USAID has helped prepare the ground for future foreign investment. The CRA's transparent, equitable regulation of the sector also provides reassurance for prospective investors.

#### Lessons

Media assistance is a subjective undertaking without any guarantees of success. Not every initiative will succeed. It will be an informed, calculated gamble. Some of the best successes are achieved with a careful selection of talented partners, a clear understanding of the scope of assistance to be offered, and a light touch exercised by donors. Layers of supervision, mixed signals, and micromanagement from an investor or donor can kill the momentum of any entrepreneur. Editors and media managers need practical advice and a tailored package of financial assistance, equipment, and training. There is a clear record of success when these principles have been followed, in Bosnia and elsewhere.

Shaped by sectarian war and communist rule while administered as a quasi-protectorate, Bosnia-Herzegovina illustrates many of the difficulties that media donors will encounter in other postconflict settings. Attempting to build a "fourth estate" in a society without a democratic culture or the rule of law, balancing the need for short-term results with longer-term impact, selecting the most promising local partners, formulating and carrying out a coherent media assistance strategy, coordinating rival agendas among donors, curtailing incitement to violence without stifling media freedom—these are the challenges that face USAID elsewhere.

A core of independent-minded journalists has begun to build a fourth estate in Bosnia but they will need further assistance from the U.S. and other donor governments if they are to succeed.

USAID and the Department of State have attached

a high priority to media assistance in Bosnia and committed significant resources to the effort—more than any other donor government. Due to the original premise that media are an integral element of democracy, important progress was made in the space of six years. In other postconflict settings, it will be crucial to attach a similarly high priority to media development. Unlike other development efforts such as judicial or education reform, media assistance can bring dramatic progress in a relatively short amount of time. Making media a priority also means objecting vigorously to threats and violations of media freedom.

The following lessons drawn from the Bosnian experience may be of use elsewhere.



Legal and regulatory initiatives that create the conditions for a free flow of information carry the greatest potential for long-term effect in a postconflict, transitional country.

Peace agreements or UN mandates should set out parameters for a democratic media sector, providing fair access to frequencies and printing presses, and replacing tainted state broadcasters with genuine public, nonpartisan institutions. To prevent incitement to violence and uphold democratic norms, interim international authority in the media sector should be retained where possible until effective domestic authority can be arranged.

Building the legal conditions for a free flow of information provides the best value for media assistance. This will attack the structural barriers to free inquiry, free access to frequencies, newsprint, printing presses, the internet, and government-held information. Legal conditions for the media were neglected in the peace agreement, and international peacekeeping organizations chose not to exercise their authority until matters deteriorated.

The establishment of a broadcast regulator, the IMC/CRA, proved to be one of the most effective media assistance initiatives supported by the U.S. government. The regulator has virtually eliminated inflammatory programming, introduced transparent regulation, and set the conditions for a free,

competitive broadcast market. The creation of the CRA also demonstrates the benefits of meaningful collaboration among donors.

Legal reform is relatively inexpensive, but it requires sustained political involvement by the Department of State, the U.S. Embassy, USAID Washington, and the USAID mission. Because similar questions of law and regulation will arise elsewhere, there may be a need for USAID or the Department of State to recruit permanent policy experts to guide the U.S. approach on media issues.

#### 2

#### Media assistance must be timely.

In Bosnia, U.S. media assistance was launched only after the Bosnian conflict. But assistance could have and should have been directed to struggling media outlets during the war to protect civic, tolerant voices. Independent-minded journalists are worthy of support before, during, and after a war. At a moment when violence and intolerance prevails, it is crucial to provide help to those media voices attempting to preserve civic values, religious tolerance, peaceful solutions, and practical information for the endangered population.

Earlier and more assertive international authority allows for less dramatic international intervention later. Peace agreements or United Nations mandates must include clear provisions for the media that lift barriers to a free flow of information while upholding democratic norms on broadcast regulation, defamation, and privacy. If there is an interim international body administering the peace, sufficient authority and flexibility must be granted to that body to allow it to build a legal framework without obstruction from vested political interests.<sup>27</sup> Otherwise, legal vacuums create opportunities for hindering the flow of information. In the last resort, a peacekeeping force must have the authority to halt incitement to violence and racial, ethnic, or religious hatred, in accordance with democratic norms and international law.

<sup>&</sup>lt;sup>27</sup> International authority can only be exercised temporarily and with great care in "protectorate" conditions. IREX and others express concern that some international officials may lack sufficient respect for the principle of freedom of expression.

#### 3

## Media assistance requires a coherent strategy and consistent direction.

Lacking initially in Bosnia, a realistic media assistance strategy in postconflict states requires a multiyear approach with a maximum of consensus among main donors. Better coordination among donors tends to produce better results. Assistance has to be led and managed from a central point with the fewest number of actors coming between the aid and the recipient. Assistance should be informed by consultation with those familiar with the region, the local language, and its media. Direct aid to the most promising media should be based on criteria that have proven universally successful: editorial quality and integrity and a readiness to learn new skills. Grants should be delivered with the clear understanding that U.S. assistance will be phased out over time. Training should occur in the newsroom or business office over an extended period in a systematic manner, not on an ad-hoc basis. To assess development efforts, any strategy should include regular market and focus group research, and support for domestic media monitoring and analysis.

U.S. media assistance to Bosnia-Herzegovina initially lacked a coherent strategy and a consistent application of that strategy. A number of competing and sometimes contradictory goals were pursued by USAID's ENI bureau, OTI, and the Department of State between 1996 and 2000. This absence of strategy meant that the full value of media assistance was not fully realized. A broader agenda with other donors could not be formulated as the United States, the largest donor to the media sector, lacked its own guiding policy.

A strategy for media assistance has taken shape since 2000, when SEED funding for the OBN project ended and OTI completed its media work. With fewer actors in the arena, a consistent approach could be achieved with the leadership of USAID's ENI bureau. The strategy looks to support the most promising media outlets that display editorial quality and a readiness to learn business skills.

USAID and State Department documents often described the goal of media assistance as promoting

"objective" journalism. Objectivity is an ambiguous term that has lost its meaning in more mature democracies. Perhaps it would be better to state the goal as supporting and cultivating quality journalism that is free of direct political control or bias, and committed to the public interest and thorough verification of facts and assertions. Editorial integrity should be the overriding goal of media assistance, since commercial viability alone does not ensure that the public interest is served.

In a postconflict setting, a clear strategy with realistic aspirations should be formulated before major projects are launched. This strategy should take a long-term, multiyear approach. Local partners or clients should be chosen with care, and with the understanding that U.S. assistance is temporary. Training should be conducted in the newsroom involving top management over an extended period, not on an ad hoc basis. To assess the efficacy of media development efforts, any strategy should include market and focus group research throughout the period of assistance.

The criteria for media assistance in Bosnia were not always consistently applied by different U.S. actors. As a result, media outlets of dubious quality or significance were sometimes supported. The best assistance in Bosnia and elsewhere works with journalists and news organizations that, above all, display editorial excellence and integrity as well as a readiness to learn business skills. One strong media outlet with substantial audience and influence provides more development value than numerous seeds that bloom only briefly. When editorial quality and integrity were ignored as criteria, assistance was directed at times to media outlets that were perceived as irrelevant or overly partisan.

Media assistance to Bosnia was managed from disparate points—USAID's OTI, the USAID mission, USAID's ENI bureau, the State Department, and media contractors—instead of from a central source. This exacerbated the absence of a coherent assistance strategy and led to wasteful territorial feuds. The USAID mission at times micromanaged media contractors in the field. In addition, there was a lack of personnel continuity and consistent policy guidance. As much as possible, the fewest

possible international staff should come between the aid and the recipient.

The best analogy is that of USAID as a venture capitalist and the aid recipient as a promising entrepreneur. Both should understand what is expected of the other, how progress will be measured, and that there are no guarantees of success. If an entrepreneur fails to make good use of the capital provided by the investor, the venture capitalist withdraws support. Neglect or constant interference with the entrepreneur—or aid recipient—ensures failure or delays. Success is measured in terms of editorial quality and integrity, audience, and prospects for profitability.

U.S. media assistance in Bosnia tended to be pursued in isolation from USAID expertise in sectors such as business development and privatization. A thriving media depends on the wider business and communications environment. USAID expertise in economic reform and support to new businesses should help inform efforts to cultivate commercially viable media outlets.



Imposing solutions and projects from the top down by international representatives carries many risks and jeopardizes success.

In the case of the OBN project in Bosnia, foreigners led the network at the expense of empowering local journalists. In Bosnia and elsewhere, the absence of democratic traditions or culture does not mean that quality journalists are nowhere to be found. Substituting foreign managers and editors for indigenous talent is a sure way of stifling the development of a media sector and raising the cost and duration of media assistance. National networks or other ambitious projects aimed at breaking postwar divisions are worthy, but they must be driven by indigenous talent and given a realistic timetable to succeed.



Achieving success in media development requires taking risks.

Providing media assistance is designed to promote pluralism and open debate in formerly closed or divided societies, not uniformly sympathetic news coverage of a donor government. USAID has respected this principle, even when faced with difficult dilemmas. There are other means and methods to promote understanding and support for U.S. policies. Mixing two distinct efforts—development versus public affairs—damages the credibility of both. Perhaps practical guidelines on how to treat this issue should be reinforced and promulgated. Some of the best outcomes in USAID media assistance were the result of taking calculated risks and giving a promising news organization with editorial quality a chance to pursue its vision. In some cases, the managers of some news outlets failed to take advantage of the opportunity provided by USAID. Perhaps the more successful experiences should be analyzed in more detail to help inform future decisionmaking.

#### 6

Emphasizing business training and market surveys helps raise industry standards.

The Bosnian experience shows that the transfer of business skills and the sponsorship of reliable market research allow news organizations to reduce their vulnerability to political pressures and invest in the editorial product.

Like media in other post-communist states, Bosnian media will increasingly face challenges to editorial independence from vested commercial interests. Market forces are beginning to bring many benefits to the industry and the public, but they also bring dangers. Commercial interests with political connections can exercise a virtual monopoly over small media markets such as Bosnia. News organizations committed to editorial integrity can be hijacked or manipulated by new owners. Although there is no way to guarantee how a media organization will evolve, USAID will need to come up with policies that help protect its investment in media assistance. Contracts for donated equipment should address the eventuality of new ownership. Perhaps the creation of editorial boards committed to protecting journalistic independence, adjustments to the bylaws of a media company, or employee share schemes could serve as potential safeguards.

## 7

## Assistance policies need to address hostile political forces and the threat of takeover.

Bosnian media, as in other transitional countries, increasingly face threats from vested commercial interests instead of direct interference from state authorities. Although there is no way to guarantee editorial independence, USAID will need to formulate policies that address the threat of hostile takeovers.

The legal status and future of the cannibalized state broadcaster in Bosnia should have been addressed by the international authorities immediately after the war. State broadcasters helped engineer consent for the violent disintegration of former Yugoslavia and helped sustain the conflict. Instead of being dissolved and replaced with a new framework, the state broadcasters, under direct political control, were ignored by the international community for two years.

At times, U.S. representatives and implementing organizations appeared to assume that quality competition from the private media would render the state broadcasters obsolete. But state broadcasters have remained influential; the politicians that control them tend to cling to the inherent advantages and privileges offered by such a service. USAID and the State Department did not adopt a policy on this issue, instead tending to react to initiatives

from the high representative and the Bosnian political leadership. The transatlantic division over this issue has been counterproductive.

Robust private and public broadcast sectors are both needed: one reinforces the other. Bosnians in and outside the media sector support this dual model. The financing of public radio and television, however, remains problematic and should not come at the expense of a fledgling commercial market. A new constructive policy discussion on the future of public broadcasting is long overdue. The United States should help shape that debate, which should emphasize the need for more domestic production and focus primarily on the views of Bosnians instead of donors.

In other countries emerging from war or dictatorship, state broadcasters tend to be dangerous tools that can be employed to incite violence, undermine peace treaties, or circumvent the democratic process. New, modest public broadcasters, guided by international broadcast advisers, should replace organizations tainted by war or manipulation whenever possible. International authorities administering wartorn countries or interim postwar governments must set out parameters for the governance, programming, and financing of public broadcasters, with the aim of minimizing the risk of partisan political control over the newsroom.

## **Annex: Principal Contacts**

Bruce Armstrong, U.S. Department of State

Senad Avdic, Slobodna Bosna

Michael Balagus, NDI

Ann-Marie Balstrom, Swedish Helsinki Committee

Hrvoje Batinac, OSI

Janice Bell, U.S. Department of State

Rade Budalic, Bosnia-Herzegovina Radio-

Television

Per Byman, Swedish International Development

Agency

Stephen Connors, InterMedia

Tanya Domi, OSCE, Bosnia-Herzegovina

Jasmin Durakovic, Federation Radio-Television

Clay Epperson, USAID/Croatia, formerly with

USAID/Bosnia-Herzegovina

Aurey Fernandez, International Media Fund

John Fox, OSI

Meg Gaydosik, Internews

Robert Gillette, IREX/Bosnia-Herzegovina

Mike Henning, USAID/Bosnia-Herzegovina

Gordana Jankovic, OSI

Jelena Jelic, Office of the High Representative

Eric Johnson, Internews

Tarik Jusic, Sarajevo Media Centar

Boro Kontic, Sarajevo Media Centar

Zeljko Kopanja, Nezavisne Novine

Regina LaCroix, OHR

Darja Lebar, OHR

Dieter Loraine, CRA

Samra Luckin, BORAM

Frane Maroevic, EC/Bosnia-Herzegovina

Dunja Mijatovic, CRA

Charlie Northrip, IREX/Bosnia-Herzegovina

Nenad Pejic, Sarajevo Radio-Television and Radio

Free Europe

Senad Pecanin, Dani

Jenny Ranson, OBN

Laura Silber, OSI

Paul Staal, Press Now, Amsterdam

Drew Sullivan, USAID/Bosnia-Herzegovina

Elvir Svrakic, NTV Hayat and AEM

Maureen Taylor, Rutgers University

Mark Thompson

Zoran Udovcic, Media Plan Institute

Adrienne van Hetteren, Press Now, Moscow

Mark Whitehouse, IREX

Patrick Wingate, OTI

Beka Vucko, OSI

## **Bibliography**

Bennett, Christopher. 1995. Yugoslavia's Bloody Collapse: Causes, Course and Consequences. New York: New York University Press.

Biddle, C. Stark, Mark Hopkins, and Oleg Harencar. 1998. Evaluation of the USAID Professional Media Program in Central and Eastern Europe. Washington, DC: USAID. PD-ABR-358.

Bildt, Carl. 1998. *Peace Journey: The Struggle for Peace in Bosnia*. London: Weidenfeld and Nicolson.

Bond, Clifford G. 2002. Letter from the U.S. Ambassador, Sarajevo, to High Representative Wolfgang Petritsch regarding draft public service broadcasting law (April 23).

CRA. 2002a. "Results of the Merit-Based Competition for Awarding of Long-Term Licenses in Bosnia and Herzegovina." Sarajevo: Communications Regulatory Agency.

CRA. 2002b. "Evaluation of EC-Financed Support to Public Service Broadcasting in Bosnia-Herzegovina." Terms of reference, December. Sarajevo: Communications Regulatory Agency.

Gaydosik, Meg. 1996. Consultant report to Internews in Bosnia-Herzegovina. Sarajevo: Internews.

Holbrooke, Richard C. 1998. *To End a War.* New York: Random House.

Human Rights Chamber for Bosnia-Herzegovina. 2002. "Decision on Admissibility and Merits, Case No. Ch/01/7248, 'ORDO'–RTV 'Sveti Georgije' against Bosnia and Herzegovina" (July 5). Sarajevo: Human Rights Chamber.

Hume, Ellen, rapporteur. 2002. "Media Assistance: Best Practices and Priorities." Partial draft, report on the USAID dialogue (July 31). Washington, DC: USAID/PPC.

IFJ. 2002. "IFJ Warns Against 'Unfair Treatment' Over Bid To Limit Advertising Rights in Bosnia Broadcast Law." Press release, May 23. Brussels: International Federation of Journalists.

Internews Bosnia-Herzegovina. 2002. "Pressures on Printed Media in Bosnia-Herzegovina: Findings of the First Comprehensive Study" (August– September). Sarajevo: Internews. <www.internews.ba/publications.htm>

IREX/Bosnia-Herzegovina. 1997. "Problems and Prospects for the Independent Print Media in Bosnia" (September). Sarajevo: IREX.

IREX/Bosnia-Herzegovina. 2002. "Activity Reports, September 2000–July 2002." Sarajevo: IREX.

Jacobs, Robert P. 2002. Letter from the USAID acting mission director to Senad Pecanin regarding *Dani* editorial, August. Sarajevo: USAID.

Jusic, Tarik. 2002. "Public Broadcasting Service v. Commercial TV: Competing for Advertisers" (October). Sarajevo: Media Centar Sarajevo.

Kovach, Bill, and Tom Rosenstiel. 2001. *The Elements of Journalism: What Newspeople Should Know and the Public Should Expect.* New York: Three Rivers Press.

Kurspahic, Kemal. 2003. *Prime Time Crime: Balkan Media in War and Peace*. Washington, DC: United States Institute of Peace Press.

Mareco Index Bosnia. 1999. "Audience Research" (November). Sarajevo: MIB.

Media Plan Institute. 2000. "Advertising Analysis." Sarajevo: MPI.

Media Plan Institute. 2002. "Media Monitoring, Elections 2002." Sarajevo: MPI.

Media Working Group for Bosnia-Herzegovina. 2001. "The Challenge of Change: Media in Bosnia-Herzegovina 1991–2001" (December). Sarajevo: MWG.

National Democratic Institute. 2000a. "Focus Group Report: Political Party Development Program in Bosnia-Herzegovina" (September 15). Sarajevo: NDI.

National Democratic Institute. 2000b. "General Election Tracking Polls" (June–November). Sarajevo: NDI.

National Democratic Institute. 2002. "Polling Results on Voter Attitudes Regarding October 5, 2002 BiH Elections." <www.accessdemocracy.org/ NDI/library/1441\_bo\_survey\_091702>

OHR. 2000. "Chart on European Advertising Limits." Sarajevo: Office of the High Representative.

Open Broadcast Network. 1999. "Report and Summary of Business Plan by Management." March. Sarajevo: OBN.

Petritsch, Wolfgang. 2000. Letter from the High Representative to the OBN donor country ambassadors, chairman of the board of the OBN, and members of the council on the OBN, July 3. Sarajevo: OHR.

Press Now. 1998. *Annual Report 1998*. Amsterdam: Press Now. <a href="http://www.xs4all.nl/~pressnow/about/annual98/splash.html">http://www.xs4all.nl/~pressnow/about/annual98/splash.html</a>

Price, Monroe E., and Mark Thompson, eds. 2002. Forging Peace: Intervention, Human Rights, and the Management of Media Space. Edinburgh: University of Edinburgh Press.

Prism Research. 2000a. "Reactions of Current and Potential Viewers to ATV Programming, Focus Group Study." Sarajevo: Prism Research.

Prism Research. 2000b. "Reactions of Current and Potential Viewers to TV Hayat Programming, Focus Group Study" (November). Sarajevo: Prism Research.

Silber, Laura, and Allan Little. 1997. *Yugoslavia: Death of a Nation.* Rev. ed. New York: Penguin.

Taylor, Maureen. 2000. Final Evaluation of OTI's Programs in Bosnia and Croatia. Washington, DC: USAID. PN-ACK-165.

Thompson, Mark. 1999. Forging War: the Media in Serbia, Croatia and Bosnia-Hercegovina. Luton: University of Luton Press.

Thompson, Mark. 2002. "Postwar Media Development." Lecture, June 25, Bern

USAID. 1996. "Grants to Internews" (April). Washington, DC: USAID.

USAID. 1997. "Grants to Internews" (April). Washington, DC: USAID.

USAID. 1998. "Cooperative Agreement, ProMedia I, with 1999 amendment." Washington, DC: USAID.

——. 1999a. "Cooperative Agreement, ProMedia II." Washington, DC: USAID.

USAID. 1999b. "Regional Project Proposal for Federation TV/RTV Bosnia-Herzegovina." Washington, DC: USAID.

USAID. (undated). "USAID's Assistance for Independent, Sustainable Media: Lessons and Implications for Future, Abstract of Assessment Plans." Washington, DC: USAID/PPC.

USAID/Bosnia. 1998. *Bosnian Reconstruction Program*. Sarajevo: USAID. PD-ABQ-615.

USAID/Bosnia. 1999. *Bosnia Reconstruction Program.* Sarajevo: USAID. PD-ABR-391.

USAID/Bosnia. 2000. Performance Review and Resource Request. Sarajevo: USAID. PD-ABS-242.

USAID/Bosnia. 2001. *USAID-ORT: Bosnia Democracy Network Program (DemNet): Final Report.* Washington, DC: USAID. PD-ABT-723.

U.S. Department of State. 1999. "Bosnians Trust Television News" (March 31). Washington, DC: Department of State, Office of Research.

U.S. Department of State. 2002a. "Brcko Residents Prefer Unified Bosnia" (June 19). Washington, DC: Department of State.

U.S. Department of State. 2002b. "Cooperating with The Hague: Bosniaks Say Yes, Bosnian Croats and Serbs Say No" (June 19). Washington, DC: Department of State.

U.S. Department of State. 2002c. "Bosnians Used To, If Not Happy With, SFOR and Dayton Accords" (July 15). Washington, DC: Department of State.

U.S. Information Agency (USIA). 1996. "Bosnians speak out: a research report Based on focus groups." December. Washington, DC: USIA.

USIA Office of Research and Media Reaction. 1995. Public Opinion in Bosnia-Herzegovina. Research report, December. Washington, DC: USIA.

——. 1998a. *Public Opinion in Bosnia-Herzegovina, Volume V: Two Years After Dayton.* Research report. April. Washington, DC: USIA.

——. 1998b. "Bosnian Croats want their HTV." Opinion Analysis, August 10. Washington, DC: USIA.

——. 1998c. "Bosnian Muslims turn to TV for election information." *European Opinion Alert*, August 17. Washington DC: USIA.

U.S. Embassy/Sarajevo. 2002. "Mission performance plan, FY 2003." Sarajevo: U.S. Embassy.

This Evaluation Working Paper can be ordered from USAID's Development Experience Clearinghouse (DEC). To download or order publications, go to www.dec.org and enter the document identification number in the search box. The DEC may also be contacted at 8403 Colesville Rd, Ste 210, Silver Spring, MD 20910; tel 301-562-0641; fax 301-588-7787; email docorder@dec.cdie.org. IBI–International Business Initiatives, Inc., furnished editorial and production assistance.

For more information, contact

U.S. Agency for International Development

Washington, D.C. 20523-1000

Telephone: 202-712-4810 Internet: www.usaid.gov

PN-ACR-756